

# KODA LTD

(Incorporated in the Republic of Singapore)  
Company Registration Number 198001299R

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## PROPOSED BONUS ISSUE

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### 1. INTRODUCTION

The Board of Directors (the "**Board**") of Koda Ltd (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company is proposing to undertake a bonus issue (the "**Proposed Bonus Issue**") of new ordinary shares in the capital of the Company ("**Bonus Shares**") to shareholders of the Company ("**Shareholders**") on the basis of one (1) Bonus Share for every two (2) existing shares in the capital of the Company ("**Shares**") held by Shareholders as at a books closure date ("**Books Closure Date**") to be determined by the Directors for the purposes of determining the entitlements of Shareholders under the Proposed Bonus Issue, fractional entitlements to be disregarded.

### 2. TERMS OF THE PROPOSED BONUS ISSUE

The actual number of Bonus Shares to be allotted and issued by the Company will depend on the total issued share capital of the Company including treasury shares as at the Books Closure Date. Purely for illustration purposes, based on the existing issued share capital of the Company comprising 27,363,816 Shares and 37,000 treasury shares as at the date of this announcement and assuming that there is no change in the issued share capital of the Company from the date of this announcement to the Books Closure Date, 13,700,408 Bonus Shares will be allotted and issued pursuant to the Proposed Bonus Issue. Fractional entitlements will be disregarded and disposed of in such manner as the Directors may in their absolute discretion deem fit for the benefit of the Company.

The Bonus Shares will be allotted and issued as fully paid at nil consideration without capitalisation of the Company's reserves. The Bonus Shares when allotted and issued, will rank *pari passu* in all respects with the then existing issued Shares, except that the Bonus Shares will not be entitled to any dividends, rights, allotments or other distributions, the record date of which falls before the date of allotment and issue of the Bonus Shares. For the avoidance of doubt, the Bonus Shares when allotted and issued, shall not be entitled to the proposed tax exempt (one-tier) interim dividend of S\$0.005 per Share, as announced by the Company on 13 February 2017.

The Bonus Shares will be allotted and issued to Shareholders whose names appear in the Register of Members of the Company or who have Shares entered against their names in the Depository Register as at the Books Closure Date on the basis of the number of such Shares registered in their names or standing to the credit of their securities accounts as at the Books Closure Date. The Company will make a further announcement on the Books Closure Date after obtaining all the necessary approvals for the Proposed Bonus Issue.

### **3. RATIONALE FOR THE PROPOSED BONUS ISSUE**

The Company is considering the Proposed Bonus Issue to increase the issued share capital base of the Company to reflect the growth and expansion of the Group's business, and to give due recognition to its Shareholders for their continuing support of and loyalty to the Company at the same time.

The Proposed Bonus Issue, if carried out, will also increase the accessibility of an investment in the Company to more investors, thereby encouraging trading liquidity and greater participation by investors and broadening the shareholder base of the Company.

### **4. APPROVALS FOR THE PROPOSED BONUS ISSUE**

The Proposed Bonus Issue is subject to, *inter alia*, the following:

- (a) the approval in-principle from the Singapore Exchange Securities Trading Limited (the "SGX-ST") for the listing and quotation of the Bonus Shares on the Official List of the Main Board of the SGX-ST; and
- (b) Shareholders' approval by way of an ordinary resolution at an extraordinary general meeting of the Company ("EGM") to be convened.

An application will be made to the SGX-ST for the dealing in, listing of and quotation for the Bonus Shares on the Official List of the Main Board of the SGX-ST in due course.

### **5. CIRCULAR**

A circular containing, *inter alia*, further information on the Proposed Bonus Issue and the notice of EGM will be despatched to Shareholders in due course.

### **6. ADJUSTMENTS TO SHARE AWARDS UNDER THE SHARE PERFORMANCE PLAN**

The Company will make necessary adjustments to outstanding share awards granted the Share Performance Plan in accordance with the rules of the Share Performance Plan, after completion of the Proposed Bonus Issue.

### **7. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

None of the Directors and substantial Shareholders of the Company has any interest, direct or indirect, in the Proposed Bonus Issue, other than through their respective shareholdings (if any) in the Company.

## **8. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Bonus Issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

## **9. CAUTIONARY STATEMENT**

Shareholders and potential investors of the Company should note that the Proposed Bonus Issue is subject to, *inter alia*, the necessary approvals being obtained by the Company, and are therefore advised to exercise caution when dealing or trading in the Shares. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board  
Koda Ltd

James Koh Jyh Gang  
Managing Director

15 March 2017